



A BILL FOR AN ORDINANCE

TO AMEND CHAPTER 28, ARTICLE 7, REVISED ORDINANCES OF HONOLULU, 1990,
AS AMENDED RELATING TO THE DEPARTMENT OF ENTERPRISE SERVICES.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Purpose and Intent. The purpose of this ordinance is to amend the Rental Schedule Rates for the Neal S. Blaisdell Center and Tom Moffatt Waikiki Shell to permit adjustments to rental rates and/or substitution of larger facilities to allow for required physical/social distancing to prevent the spread of COVID-19, as recommended and/or mandated by the U.S. Centers for Disease Control, State of Hawaii, and other relevant organizations.

SECTION 2. Section 28-7.1, Revised Ordinances of Honolulu 1990, is amended to read as follows:

"Sec. 28-7.1 Rates.

(a) **NONADMISSION EVENTS**

Users of facilities used for nonadmission events shall pay the following charges as applicable.

- (1) Except for events qualifying for reduced rental rates, the following fixed rental rates ~~shall~~ will be charged. The fixed rental rates ~~shall~~ must cover the facility daily operating cost of each facility.

(A) **Arena**

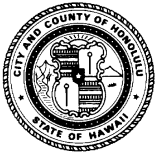
Performance Day.....	\$5,396.00
Nonperformance Day.....	2,698.00
Overtime rate (per hour).....	594.00

(B) **Concert Hall**

Performance Day.....	3,409.00
Nonperformance Day.....	1,705.00
Overtime rate (per hour).....	375.00

(C) **Exhibition Hall**

Performance Day.....	3,901.00
Nonperformance Day	1,951.00
Overtime rate (per hour)	429.00



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(D) Pikake Room	
Performance Day.....	950.00
Nonperformance Day	475.00
Overtime rate (per hour)	105.00
(E) Hawaii Suites 1 to 12	
Performance Day.....	92.00
Nonperformance Day	92.00
(F) Galleria 1st floor or 2nd floor	
Performance Day.....	230.00
Nonperformance Day	115.00
Overtime rate (per hour)	25.00
(G) Maui Room	
Performance Day.....	144.00
Nonperformance Day	144.00
(H) Oahu Room	
Performance Day.....	121.00
Nonperformance Day	121.00
(I) Kauai Room	
Performance Day.....	109.00
Nonperformance Day	109.00
(J) Waikiki Shell	
Performance Day.....	1,948.00
Nonperformance Day	974.00
(K) Waikiki Shell Amphitheater	
Performance Day.....	649.00
Non Performance Day.....	325.00
(L) Nonfacility Space	
Performance Day.....	\$.04/sq. ft.
Nonperformance Day	\$.02/sq. ft.

- (2) Reduced Rental Rates.
When facilities are only rented on low use days (Mondays, Tuesdays, or Wednesdays) or less than five weeks in advance of the use day, the tenant



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shall pay a reduced rent. The reduced rental rates ~~[shall]~~ must cover the use day operating cost for each facility. Facility rentals by the Blaisdell Center's in-house caterers for all events approved by the director of enterprise services will be assessed at the reduced rental rate except where the caterer's client is a qualified nonprofit organization as defined in this article. In such situation, the caterer will be assessed the applicable nonprofit rate.

(A) Arena	
Performance Day.....	\$3,788.00
Nonperformance Day.....	1,894.00
(B) Concert Hall	
Performance Day	2,121.00
Nonperformance Day.....	1,061.00
(C) Exhibition Hall	
Performance Day.....	2,473.00
Nonperformance Day	1,237.00
(D) Pikake Room	
Performance Day.....	685.00
Nonperformance Day	343.00
(E) Hawaii Suites 1 to 12	
Performance Day.....	69.00
(F) Galleria 1st floor or 2nd floor	
Performance Day.....	230.00
(G) Maui Room	
Performance Day.....	144.00
(H) Oahu Room	
Performance Day.....	121.00
(I) Kauai Room	
Performance Day.....	110.00
(J) Waikiki Shell	
Performance Day.....	1,558.00
Nonperformance Day.....	779.00



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(K) Waikiki Shell Amphitheater
Performance Day.....520.00
Nonperformance Day..... 260.00

(L) Nonfacility Space..... \$.04/sq. ft.

(b) **ADMISSION EVENTS**

Users of facilities used for admission events shall pay the following charges as applicable:

(1) **Deposits.**

Deposits for admission events [~~shall~~] must cover the facility use day operating cost and are due upon execution of the rental agreement:

(A) Arena and Arena Theater Configuration (one half arena seating and set-up for stage show.)
Performance Day..... \$3,788.00
Nonperformance Day1,894.00

(B) Concert Hall
Performance Day..... 2,121.00
Nonperformance Day..... 1,061.00

(C) Exhibition Hall
Performance Day..... 2,473.00
Nonperformance Day 1,237.00

(D) Pikake Room
Performance Day..... 685.00
Nonperformance Day..... 343.00

(E) Hawaii Suites 1 to 12
Performance Day.....69.00

(F) Galleria 1st floor or 2nd floor
Performance Day.....230.00

(G) Maui Room
Performance Day..... 144.00



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- (H) Oahu Room
Performance Day..... 121.00
- (I) Kauai Room
Performance Day..... 109.00
- (J) Waikiki Shell
Performance Day.....1,557.00
Nonperformance Day..... 779.00
- (K) Waikiki Shell Amphitheater
Performance Day..... 520.00
Nonperformance Day..... 260.00
- (L) Nonfacility Space..... \$.04/sq. ft

(2) Percentage Rental Rates.

The tenant shall pay the applicable deposit or percentage rent, whichever is greater, based upon gross receipts from admission charges. Percentage rent ~~[shall]~~ will be based upon the schedule listed below and calculated on gross receipts from admission charges for each contracted event, which performances ~~[shall]~~ must occur in a period of up to seven consecutive days. Each seven consecutive day period or portion thereof, ~~[shall begin]~~ begins a new calculation of the percentage rent period.

Notwithstanding the foregoing, a nonprofit organization as defined in Section 28-6.2, which takes a collection or donation from attendees at an event held at the Blaisdell Center or the Waikiki Shell but does not charge a formal admission fee ~~[shall]~~ will be charged no more than three ~~[(3)]~~ times the minimum deposit for each performance day as facility rent.

(A) Arena

- (i) Full Arena
10.0% of gross receipts up to \$150,000.00; plus
8.5% of gross receipts from \$150,000.01 to \$250,000.00; plus
7.5% of gross receipts from \$250,000.01 to \$350,000.00; plus
6.5% of gross receipts from \$350,000.01 to \$450,000.00; plus
5.5% of gross receipts from \$450,000.01 to \$550,000.00; plus
5.0% of gross receipts over \$550,000.00.



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- (ii) Arena in Theater Configuration
5% of gross receipts.
- (iii) Should a tenant request a cap on the percentage rent as a condition of bringing to the Arena a major popular commercial event with a minimum of two consecutive performances, the director may set a rent cap as follows:
For the first two performances, the percentage rent [~~shall~~] will be calculated as prescribed in this section and the percentage rent [~~shall~~] will be capped at a total of \$53,000.00.
For each additional performance of the event, the percentage rent [~~shall~~] will be calculated as prescribed in this section and the percentage rent [~~shall~~] will be capped at \$26,500.00.

(B) Waikiki Shell

- (i) Waikiki Shell
When the Waikiki Shell is rented during the months of April through August, the following percentage rates will apply:
10.0% of gross receipts up to \$75,000.00; plus
8.5% of gross receipts from \$75,000.01 to \$150,000.00; plus
5.0% of gross receipts over \$150,000.00.
When the Waikiki Shell is rented during the low-use months of September through March, the following percentage rates will apply:
8.5% of gross receipts up to \$150,000.00; plus
5.0% of gross receipts over \$150,000.00.
- (ii) Waikiki Shell Amphitheater
5% of gross receipts.

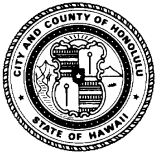
- (C) Concert Hall
5.0% of gross receipts up to \$500,000.00; plus
5.0% of gross receipts in excess of 75% of the weekly gross potential (based upon ticket price and salable seats). The maximum weekly percentage rent for the Concert Hall [~~shall~~] will be \$40,250.00.

- (D) Exhibition Hall
10.0% of gross receipts.



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- (E) Pikake Room
5.0% of gross receipts.
- (F) Hawaii Suites, Maui, Oahu, Kauai and Galleria
5.0% of gross receipts.
- (3) Net Square Footage Rental. Net square footage is calculated by the facility in which the booth space is located. The booth space ~~[shall]~~ will be the area a subcontractor of the tenant ~~[shall have]~~ has rented to present a product, service or other commercial display. Rent ~~[shall]~~ will be \$0.18 per net square foot per event day. A tenant shall pay the greater of the deposit, the total net square footage rental, or the percentage rental rate for each event day.
- (4) Exhibition Hall and Meeting Rooms Rental for Fundraisers. Where the exhibition hall and meeting rooms are rented for the presentation of a fundraising event sponsored by a nonprofit organization, a bona fide political party, which qualifies under Hawaii's election laws, or a bona fide political candidate, who qualifies under Hawaii's election laws, the tenant of the exhibition hall shall pay the applicable rental charge or 10 percent of the donated gross receipts collected for the event, whichever is greater; provided, that a rental cap ~~[shall]~~ will apply which provides that the percentage rental ~~[shall]~~ must not exceed twice the applicable deposit; and this rental cap ~~[shall]~~ will not apply to the Waikiki Shell, arena, or the concert hall if it is used for a fundraising event.
- (5) Facility Use for Indoor Sports Practice Rental. When the sports surface is already installed, ordinary lighting is used, and there are no additional labor, cleanup and air conditioning costs incurred by the city, the use of the facility for practice purposes, at the discretion of the director of enterprise services, is permissible without charge; provided~~[,]~~ that a waiver of liability is signed by the tenant.
- (c) Nonperformance Day Rental.
 - (1) When renting either the exhibition hall or the Pikake Room, the tenant will be entitled to the nonperformance day rental rate for the number of days equal to the number of performance days. Any nonperformance days exceeding that number will be charged at the fixed rental rate, reduced rental rates, or deposit, as applicable, for a performance day for the facility.



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- (2) Any tenant renting the arena for an event which requires more than eight hours to change over the facility for that event will be charged a nonperformance day at the beginning and end of the booking.
- (d) Charges for Facilities and Services Not Specified. The director of enterprise services ~~[shall be]~~ is authorized to establish and assess reasonable rental charges for those facilities and services not specified herein.
- (e) Charges for Facilities and Services during the COVID-19 Public Health Emergency:

To allow for required physical distancing to prevent the spread of COVID-19, the director of enterprise services is authorized to offer tenants additional or larger facilities, based on availability, as required to accommodate an event that otherwise would have been accommodated by and would have met posted occupancy limits of a smaller facility.

The director of enterprise services is authorized to charge rental rates based on the rates of the smaller facility which would have met the needs of the event based on posted occupancy limits prior to the COVID-19 public health emergency."

SECTION 3. Ordinance material to be repealed is bracketed and stricken. New ordinance material is underscored. When revising, compiling, or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the Revisor of Ordinances need not include the brackets, the bracketed and stricken material, or the underscoring.



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

BILL **52 (2020), CD1**

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SECTION 4. This ordinance takes effect upon its approval, provided that Section 28-7.1(e), Revised Ordinances of Honolulu 1990, is repealed on January 1, 2022.

INTRODUCED BY:

Ikaika Anderson (br)

DATE OF INTRODUCTION:

July 2, 2020
Honolulu, Hawaii

Councilmembers

APPROVED AS TO FORM AND LEGALITY:

Deputy Corporation Counsel

APPROVED this _____ day of _____, 20 _____.

KIRK CALDWELL, Mayor
City and County of Honolulu